

AMENDMENT NO. 2 TO AMENDMENT NO. 1 OF SENATE BILL 1811

Amendment No. 2 to Amendment 1 to SB1811

Graves
Signature of Sponsor

AMEND Senate Bill No. 1811

House Bill No. 1920*

FILED

Date _____

Time _____

Clerk _____

Comm. Amdt. _____

By deleting the amendatory language of Section 1 of the amendment and by substituting the following amendatory language:

§9-4-53___. Notwithstanding the provisions of any law to the contrary,

IF, after July 1, 1998, a locality is deemed by the state of Tennessee to be a municipality for purpose of distributing grants or state-shared taxes; **AND**

IF, thereafter the locality, acting in good faith and under color of law and for municipal purposes, receives and expends or obligates grants or state-shared taxes; **AND**

IF, the locality accepted "start-up" donations from citizens to provide the locality with a financial basis to operate until such locality received sufficient funds from grants, state-shared taxes or local revenues to operate; **AND**

IF, thereafter it is judicially determined that the locality was not incorporated in accordance with the requirements of law and, therefore, is not a municipality; **THEN**

Neither the locality nor any person who acted on behalf of the locality is required to return to repay such grants or state-shared taxes. Any portion of such grants or state-shared taxes, subject to the provisions of Section 2(b), that remain unexpended and unobligated, shall become assets of the county; however, the locality may return documented "start-up" donations made by citizens on a pro rata basis prior to transferring the funds to the county.